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S E C R E T SECTION 01 OF 03 ABU DHABI 002129

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SUBJECT: ABU DHABI CROWN PRINCE FAVORS GULF SECURITY

DIALOGUE

REF: A. ABU DHABI 1228

¶B. ABU DHABI 2006 (NOTAL)

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Classified By: AMBASSADOR MICHELE J. SISON, REASONS 1.4 (B) AND (D).

- ¶1. (C) Summary: In a meeting May 17 with Abu Dhabi Crown Prince and Deputy Supreme Commander of the UAE Armed Forces Sheikh Mohammed bin Zayed (MbZ), a DOD-State-NSC-USCENTCOM delegation headed by Principal Deputy Under Secretary of Defense for Policy Ryan Henry and Political-Military Affairs Bureau Assistant Secretary John Hillen discussed ratcheting up the U.S.-UAE security dialogue and exploring options for countering Iran's ambitions in the region. Among a range of defense cooperation proposals made by the U.S. side, MbZ appeared quite interested in the capabilities offered by Littoral Combat Ships. On Iran's nuclear program, MbZ remains convinced that the Iranians will obtain nuclear weapons unless they are stopped, and he sees Iran's interest in nuclear power as part of larger quest to become a "Persian superpower." MbZ offered to provide information about Iranian "investors" who have been sheltering millions of dollars in small Gulf businesses in order to shield themselves from expected economic sanctions against Iran. MbZ predicted "a long struggle" in Iraq, and raised UAEG interest in expanding its military contingent in Afghanistan to as many as 1000-plus troops. End Summary.
- ¶2. (C) A DOD-State-NSC-USCENTCOM delegation, accompanied by Ambassador and Polchief (notetaker), met May 17 evening with MbZ and his International Affairs Director Yousef al-Otaiba. The USG interagency team was composed of PDUSD Henry, PM A/S Hillen, NSC Senior Director for Near East and North Africa Affairs Michael Doran, USCENTCOM Director for Plans and Policy Admiral Robert Moeller, A/S Hillen,s Chief of Staff Frank Ruggiero, and Henry's Military Aide Col. Jennifer Graham.
- 13. (C) PDUSD Henry explained that U.S. team had traveled to speak with Gulf allies in order to underscore U.S. commitment to the long-term stability and security of the region, and to address concerns about Iran's nuclear capability. Henry said the U.S. is willing to commit its capabilities and forces to make certain the Gulf is secure over the long-term. The U.S. also is interested in launching a dialogue with each of the Gulf Cooperation Council (GCC) states about ratcheting up the bilateral security dialogue with each of them. He said that DoD's recently completed Quadrennial Defense Review emphasizes the need for the U.S. to develop its defense

capabilities in the region. "We want to let our friends know that we are more willing to do our part and want to help them do their part," Henry said. Doing so would send a clear signal to Iran, he added.

Gulf Security Dialogue

- 14. (C) A/S Hillen underscored the USG's goal of seeking to solve any conflict with Iran peacefully and diplomatically. However, he also said that it was important that Iran understand that no one is "going to be bullied" by its nuclear ambitions. Hillen told MbZ that the U.S. would be sending a proposal to the UAE MFA for a security dialogue that would cover defense cooperation, Iraq, regional security, energy security, counter-proliferation, and counter-terrorism. "We want to have a regular, institutional dialogue with your country," Hillen stated. He proposed kicking off such a dialogue this coming fall in the United States when UAE officials are in New York for the UN General Assembly. MbZ responded favorably. MbZ also supported the concept of planning security needs for the next 20 years. He urged the U.S. to move swiftly with its proposal for a security dialogue.
- 15. (C) Hillen and Henry both emphasized that the Gulf Security Dialogue should build on existing bilateral cooperation, but that the U.S. would work multilaterally when possible. MbZ urged the U.S. to come back with a proposed timeframe, and advised them not to give the Gulf states too much time because the "we are good at buying time." Echoing what he told NEA A/S David Welch in Abu Dhabi in March, MbZ said it was not necessary to wait for all GCC states to agree all at once to an initiative vis--vis Iran (ref A). "Whoever does not want to join in, we cannot wait. They can catch up later on," he said. "The ship will sail" according

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to the timeframe set. MbZ made clear his priorities: "This is the future of my country ... There is nothing I would be more delighted to help you with." When asked whether he thought the U.S. should state publicly its declared security policy in the Gulf, MbZ suggested that it was better to discuss the plan first, and then worry about the "title" later.

Defense Cooperation and Counter-Proliferation Proposals

16. (C) A/S Hillen also briefed MbZ more fully on defense cooperation and counter-proliferation proposals, including ways to bolster air and missile defense, maritime security, and unconventional and counter-proliferation capabilities, MbZ was most keen to learn more about the Littoral Combat Ship suited to Gulf waters. "What is it?" he asked, suddenly sitting up in his chair. After hearing Admiral Moeller's brief description of the vessel, MbZ asked about the ship's dimensions and air defense capabilities. Hillen explained that the Littoral Combat Ship was a "potent vessel," and that it could figure in a broader, "accelerated" dialogue the U.S. would like to initiate with the UAE Armed Forces about developing maritime capabilities and a common air defense. Hillen also cited the PAC-III Patriot missile. "We want to listen to your Armed Forces to see how they want to expand their capabilities," he told MbZ. Hillen also thanked MbZ for his government's decision to privately endorse the Proliferation Security Initiative's Statement of Interdiction Principles. A/S Hillen encouraged immediate UAE participation in upcoming PSI exercises.

Diplomatic Options

17. (C) NSC Senior Director Doran briefed MbZ on the various diplomatic options that are available to pressure Iran to change course, noting that without such options, POTUS could

be faced with a stark decision of either accepting Iran with nuclear weapons or going to war with the Iranians to prevent them from obtaining nuclear weapons. The best route, Doran suggested, would be to combine pressure in the UN Security Council with pressure in the region and through the international economic system. He briefed on EU and U.S. discussions on a possible incentives package to go along with a UNSC Chapter VII resolution. The economic incentives would send a positive message to the Iranian people. Conversely, the U.S. would reject enrichment of uranium on Iranian soil, Doran said. "The U.S. believes there have to be sticks as well as carrots," he said. "We want to isolate them diplomatically, and then isolate them from the international economic system. At the same time, there has to be a show of solidarity from the region that lets Iran know that the pursuit of nuclear weapons will make them more vulnerable."

A Nuclear Iran

¶8. (C) MbZ said he believed Iran would have nuclear weapons "unless somebody stops them." He said "it was a matter of time." Iran has long had nuclear ambitions and Iranian leaders have been planning the program for years. "We have been taken for a ride," he said, referring to the public relations campaign that Iran has waged over the years to promote its interest in nuclear energy. The Iranians want to have nuclear power in order to be a superpower like they were 3,000 years ago, MbZ opined. Iranians also are patient and know how to bargain, he added. MbZ said he had no qualms with either India or Pakistan being nuclear powers because "they are friends," whereas "Ahmedinejad is a kook." MbZ also demonstrated his usual disdain for Hizballah, saying they are more dangerous than al-Qaida. Hillen replied that "greatly enhanced" defense cooperation between the U.S. and the Gulf allies "will put us in a strong position to follow and counter Iran,s ambitions." He also reassured MbZ that the U.S. had no intention of abandoning its friends.

Iranians Preparing for Sanctions?

19. (C) MbZ also reported that Iranian "investors" were sheltering hundreds of millions of dollars in small Gulf businesses and elsewhere as insurance against expected economic sanctions against Iran. Such investors have

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businesses in the UAE, Qatar, and Bahrain, he said, adding that the UAEG found out about them "by accident." MbZ said the Iranians are "trying to get their money out," but they are keeping the funds in other Gulf countries apparently believing that the U.S. will not investigate. "They are always one step ahead. This is why I like the U.S. 20-year plan," MbZ said, referring to DoD's quadrennial review. He offered to provide to us more information on this phenomenon in the future.

Iraq, Afghanistan

110. (S) During the course of the conversation, MbZ shared his thoughts on Iraq and Afghanistan with the visitors. On the former, he noted that Jordan, Egypt, Kuwait, Turkey, Saudi Arabia and the UAE continued to work together to help support Iraqi "nationalists." The Iraqi moderates required some \$50-60 million each month, he noted, but the group of six regional countries had only been able to furnish ten percent of that amount (ref B). This amount was less than the \$7 million the UAE estimated was coming monthly through Qatar-based Egyptian cleric Yousef al-Qaradawi's group and other Muslim Brotherhood linked charities into Iraq. "It is going to be a long struggle," said MbZ. On Afghanistan, MbZ reaffirmed his interest in deploying additional UAE troops in Afghanistan (UAE Special Operations troops number approximately 250 at present). He said that the UAE Chief of

Staff, Lt. General Mohammed Hamad Thani al-Rumaithy, was in the process of forwarding a request to offer a battle group of 1000-plus men for Afghanistan and asked for U.S. support in ensuring that his men "see action." (Note: Although MbZ did not specify whether he was referring to Special Ops or conventional land forces in discussing the battle group offer, we believe he meant the latter; nearly all of the UAE Special Ops troops have rotated through Afghanistan over the past two and a half years. End Note.)

 $\P 11.$ (U) A/S Hillen, PDUSD Henry, and NSC Doran cleared this message.

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